

SETTLEMENT AGREEMENT AND GENERAL RELEASE

This Settlement Agreement and General Release (the “Agreement”) is entered into as of April 3, 2025 (the “Effective Date”), by and between Crystal Sorey, Individually and as Administratrix of the Estate of Harmony Montgomery on the one hand and the State of New Hampshire Department of Health and Human Services, the New Hampshire Division for Children, Youth and Families and any other present or former officer, employee, or agent of the State of New Hampshire, individually and collectively, in both his/her individual and official capacities (collectively, the “State Defendants”). Crystal Sorey, Individually and as Administratrix of the Estate of Harmony Montgomery and the State Defendants may be referred to individually herein as a “Party” and collectively as the “Parties.”

WHEREAS, Crystal Sorey, individually and as Administratrix of the Estate of Harmony Montgomery, brought claims against the State Defendants in relation to allegations set forth in *Crystal Sorey, Individually and as Administratrix of the Estate of Harmony Montgomery v. Department of Health and Human Services et al.*, Hillsborough County Superior Court Northern District, Case No. 216-2024-CV-00722 (“the Action”);

WHEREAS, the State Defendants have denied and disputed, and continues to deny and dispute, any allegations of wrongdoing, damages, or liability in the Action;

WHEREAS, the Parties have participated in a confidential mediation session and, with the assistance of the mediator, reached the settlement that is the subject of this Agreement;

WHEREAS, without conceding the merit or lack of merit of any claim or defense or the existence of any liability whatsoever, the Parties wish to settle, compromise, buy peace, and finally and forever resolve all matters, controversies, disputes, and claims that may exist between Crystal Sorey, Individually and as Administratrix of the Estate of Harmony Montgomery and the State

Defendants relating to the subject matter of the Action, including the released claims described herein, or any claims that could have been brought based on the subject matter of the Action, whether known or unknown;

NOW, THEREFORE, in consideration of the mutual covenants and promises set forth in this Agreement, and for this good and valuable consideration, the adequacy and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. **CONSIDERATION.** The Parties have agreed to fully and finally resolve and settle any and all matters between them for the gross settlement amount of **TWO MILLION TWO HUNDRED FIFTY THOUSAND DOLLARS** (\$2,250,000.00) (the “Settlement Amount”), paid via electronic payment through the Automatic Clearing House to the law firm of Douglas, Leonard & Garvey, P.C. on behalf of Crystal Sorey, Individually and as Administratrix of the Estate of Harmony Montgomery. The Parties expressly understand and agree that the Settlement Amount includes any and all amounts that may be claimed by Crystal Sorey, Individually and as Administratrix of the Estate of Harmony Montgomery against the State Defendants and any of their subsidiaries or employees for the events giving rise to the Action. The State Defendants agree that the Settlement Amount shall be paid within fourteen (14) days of the execution of this Agreement or fourteen (14) days following Douglas, Leonard & Garvey, P.C. providing the banking information necessary to process an Automatic Clearing House payment, whichever is later.

2. **ALLOCATION OF SETTLEMENT AMOUNT.** Crystal Sorey, Individually and as Administratrix of the Estate of Harmony Montgomery agrees to petition the 9th Circuit Court Probate Court (Nashua), or other New Hampshire probate court if necessary, for approval to allocate the Settlement Amount in such a way that the Estate of Harmony Montgomery corpus

after payment of attorneys' fees and costs shall be distributed whereby 50% is distributed to Crystal Sorey, Individually, and 50% is divided in equal shares and distributed to an estate guardian for the benefit of J.W.M. (), J.S. (), S.M. (), and D.M. (), with the purpose to create and establish an irrevocable trust for the benefit of each of them. The Parties agree to cooperate in good faith to provide necessary information and participation to support approval of such allocation from the Estate of Harmony Montgomery in the probate court. If the probate court does not approve the trusts as described in this Agreement (or of substantially similar trusts), the Parties agree to work together in good faith (including, if necessary, with the assistance of mediator Peter Taylor) to determine a course of action that effectuates the spirit of this Paragraph and receives approval by the probate court. The creation of these trusts (or of substantially similar trusts) is a material condition of this Agreement, and this Agreement is subject to rescission should any Party not work in good faith toward the outcome contemplated by this Paragraph.

3. **NO ADMISSION OF WRONGDOING.** Nothing in this Agreement or the furnishing of the consideration for this Agreement shall be construed as an admission by any of the State Defendants of any liability or unlawful conduct whatsoever. This Agreement is not intended to be used and shall not be used as evidence or for any other purpose in any other action or proceeding other than to enforce the terms of this Agreement.

4. **END LITIGATION AND WITHDRAW LAWSUIT.** Crystal Sorey, Individually and as Administratrix of the Estate of Harmony Montgomery agrees to end the Action as to the State Defendants by filing a Voluntary Non-Suit with Prejudice in the Action within five (5) days of receiving the Settlement Amount specified in Paragraph 1 of this Agreement.

5. **FULL AND FINAL RELEASE.** In consideration for the Settlement Amount contained in Paragraph 1, Crystal Sorey, Individually and as Administratrix of the Estate of Harmony Montgomery, on her own behalf and on behalf of her heirs, executors, administrators, successors, and assigns, hereby knowingly, voluntarily, fully, finally, and forever releases, relinquishes, settles, and discharges the State Defendants, including any and all present or former employees, agents, representatives, servants, volunteers, independent contractors, officers, officials, directors, attorneys, insurers, indemnities, successors, and assigns of the State Defendants, in their individual, business, and official capacities (the “State Released Parties”) of and from any and all claims, allegations, rights, covenants, causes of action, duties, obligations, demands, actions, debts, sums of money, suits, charges, contracts, agreements, promises, judgments, verdicts, costs, damages (including, but not limited to, compensatory, enhanced compensatory, and punitive damages), and liabilities of every nature, description, and kind, whether known or Unknown (as defined below), whether arising under federal, state, local, statutory, common law, or any other domestic or foreign law, rule, or regulation, that concern, arise out of, refer, or relate in any way to, or are based upon any of the allegations, events, incidents, facts, matters, or subject matters, occurrences, representations, statements, or omissions alleged, involved, set forth, or referred to in the Action (the “Released Claims”).

(a) Crystal Sorey, Individually and as Administratrix of the Estate of Harmony Montgomery represents and warrants to the State Defendants that she has the right and authority to release, relinquish, settle, and discharge the Released Claims.

(b) Crystal Sorey, Individually and as Administratrix of the Estate of Harmony Montgomery understands and affirms that the release contemplated by this Agreement extends to claims that Crystal Sorey, Individually and as Administratrix of

the Estate of Harmony Montgomery does not know or suspect to exist at the time of this release, which, if known, might have affected the decision to enter into the release (“Unknown” claims).

(c) This release is directed only at the State Defendants and does not extend to, and Crystal Sorey, Individually and as Administratrix of the Estate of Harmony Montgomery expressly reserves, any claims by Crystal Sorey, Individually and as Administratrix of the Estate of Harmony Montgomery against Adam Montgomery.

6. INDEMNIFICATION FROM POST-SETTLEMENT CONTRIBUTION

CLAIMS. If Crystal Sorey, Individually and as Administratrix of the Estate of Harmony Montgomery obtains a judgment against any other person or entity (a “Judgment Defendant”) on a claim for which the Judgment Defendant has or may have a claim for contribution against any State Released Party, Plaintiff agrees to indemnify the State Released Party from and against any such claim.

7. INDEMNITY WITH RESPECT TO TAX TREATMENT. Should the characterization of payments set forth in Paragraph 1 be found to be improper or unwarranted by the Internal Revenue Service or other taxing authority with the result that the State Defendants are held obligated to pay taxes, additional taxes, penalties, or interest, which should have been deducted from the gross amount of such payments, or if the Internal Revenue Service or other taxing authority otherwise finds the payment to be taxable or subject to tax, Crystal Sorey, Individually and as Administratrix of the Estate of Harmony Montgomery agrees to fully indemnify the State Defendants and all of their agencies and employees for all portions of such taxes, penalties, or interest, attributable to her but actually paid by the State Defendants and any attorneys’ fees or other costs incurred by the State Defendants and related thereto; and further

agrees that she will not assert, file, or make any claims against the State Defendants for any portions of such taxes, penalties, or interest she may be compelled to pay and the costs, including attorneys' fees, which she may have to pay in connection with any disputes between her and the Internal Revenue Service or other taxing authority.

8. **AUTHORITY.** By signing this Agreement, Crystal Sorey, Individually and as Administratrix of the Estate of Harmony Montgomery represents and warrants that (a) she has the sole right and exclusive authority to execute this Agreement, and (b) she has not sold, assigned, transferred, or otherwise conveyed any of the claims, demands, actions, suits, debts, causes of action, or liabilities referred to in this Agreement. Crystal Sorey, Individually and as Administratrix of the Estate of Harmony Montgomery acknowledges that she has carefully read this Agreement, knows and understands its contents, and has had the opportunity to consult with counsel of her choice concerning the legal consequences of this Agreement. Crystal Sorey, Individually and as Administratrix of the Estate of Harmony Montgomery represents and warrants that she signs this Agreement voluntarily and freely, without duress and as her own free act. No promise or inducement that is not expressed in this Agreement has been made to Crystal Sorey, Individually and as Administratrix of the Estate of Harmony Montgomery. Crystal Sorey, Individually and as Administratrix of the Estate of Harmony Montgomery has not relied upon the advice or representations of the State Defendants or any representative thereof in executing this Agreement.

9. **ATTORNEYS' FEES AND EXPENSES.** The Parties agree that the Settlement Amount constitutes the entire payment to be made in settlement of all claims by Crystal Sorey, Individually and as Administratrix of the Estate of Montgomery, against the State Defendants in the Action. No Party to this agreement shall seek to recover any additional amounts from any

other Party to this agreement, including for her attorneys' fees, costs, and expenses in connection with all matters related to the Action and its settlement.

10. **SEVERABILITY.** The provisions of this Agreement shall be deemed severable and the invalidity or unenforceability of any provision shall not affect the validity and enforceability of the other provisions hereof. If any provision of this Agreement is unenforceable for any reason whatsoever, such provision shall be appropriately limited and given effect to the extent that it may be enforceable.

11. **CONSTRUCTION.** In executing this Agreement, Crystal Sorey, Individually and as Administratrix of the Estate of Harmony Montgomery acknowledges that this Agreement is the result of negotiations in good faith and at arm's length between Crystal Sorey, Individually and as Administratrix of the Estate of Harmony Montgomery and the State Defendants. Crystal Sorey, Individually and as Administratrix of the Estate of Harmony Montgomery further acknowledges that she has been given the opportunity to consult with counsel, and that this Agreement is executed knowingly, voluntarily, and without undue influence or duress. Accordingly, the terms, provisions, and conditions of this Agreement shall be interpreted and construed in accordance with their usual and customary meanings, without application of any rule of interpretation or construction providing that ambiguous or conflicting terms, conditions, or provisions shall be interpreted against the Party whose legal counsel prepared the executed version or any prior drafts of the Agreement.

12. **ENTIRE AGREEMENT.** The Parties acknowledge and agree that this Agreement constitutes the full and complete agreement between and among the Parties with respect to the matters encompassed herein and supersedes all previous agreements, promises,

proposals, representations, understandings, and negotiations, whether written or oral, between and among the Parties respecting the matters encompassed herein.

13. **BINDING AGREEMENT.** This Agreement is binding upon and inures to the benefit of the Parties, their successors, and assigns. Each person signing this Agreement or any portion thereof on behalf of any Party hereby warrants and represents that such person expressly has been authorized to execute this Agreement on behalf of such Party as a document legally binding on such Party, and that such person has full authority to take all such reasonable, necessary, and appropriate actions that may be required or permitted to be taken pursuant to the Agreement to affect its terms.

14. **MODIFICATION.** This Agreement shall not be altered, amended, modified, or rescinded except by an instrument in writing signed by each of the Parties and specifically referencing this Agreement.

15. **SIGNATURES IN COUNTERPART.** This Agreement may be executed simultaneously in counterparts, each of which shall be deemed to be an original, but all of which shall constitute one and the same instrument. Signatures by facsimile or other electronic imaging shall be deemed to constitute original signatures.

16. **GOVERNING LAW/JURISDICTION.** The laws of the State of New Hampshire shall govern this Agreement, any disputes related thereto, and the Parties expressly submit any claim arising therefrom to the exclusive jurisdiction of the Superior Court of the State of New Hampshire, Hillsborough County, Northern Division, in Manchester, New Hampshire.

17. **HEADINGS.** The headings herein are included for the purpose of convenience only and are not meant to have legal effect. Words used herein, regardless of the number and gender specifically used, shall be deemed and construed to include any other number, singular or

plural, and any other gender, masculine, feminine, or neuter, as the context indicates is appropriate.

18. **DISCLOSURE.** Crystal Sorey, Individually and as Administratrix of the Estate of Harmony Montgomery acknowledges and agrees that this Agreement may be available, if required by N.H. RSA 507:17 and N.H. RSA 91-A:4.

BY SIGNING THIS AGREEMENT CRYSTAL SOREY, INDIVIDUALLY AND AS ADMINISTRATRIX OF THE ESTATE OF HARMONY MONTGOMERY ACKNOWLEDGES:

- A. SHE HAS READ IT;
- B. SHE UNDERSTANDS IT AND KNOWS SHE IS GIVING UP IMPORTANT RIGHTS;
- C. SHE HAS BEEN ADVISED AND IS HEREBY ADVISED TO CONSULT WITH AN ATTORNEY PRIOR TO EXECUTING THIS SETTLEMENT AGREEMENT AND GENERAL RELEASE; AND
- D. SHE HAS SIGNED THIS SETTLEMENT AGREEMENT AND GENERAL RELEASE KNOWINGLY AND VOLUNTARILY.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date indicated with each signature below.

ACCEPTED AND AGREED:

Crystal Sorey, Individually and as Administratrix of the Estate of Harmony Montgomery

Crystal Sorey

Date: 4/8/25

New Hampshire Department of Health and Human Services
New Hampshire Division for Children, Youth and Families

By: John M. Formella
John M. Formella, Attorney General, pursuant to N.H. Rev. Stat. Ann. § 99-D:2A

Date: 4/4/25